City of Pekin

CITY COUNCIL MEETING
TUESDAY, OCTOBER 26, 2021
5:00 PM

1.	**Pledge of Allegiance**
2.	**Call to Order**
3.	**Approve Agenda**
4.	**Public Input**
5.	**New Business**
	5.1. Ordinance No. 3030-21/22 Authorization to Purchase Property for Right of Way **Attachment Changed** **ACTION REQUESTED:** Approve and Adopt the Ordinance.
6.	**Adjourn**

REQUEST FOR COUNCIL ACTION

Agenda Date: October 26, 2021
To: Council Members
From: Mark Rothert, City Manager

AGENDA ITEM:	Ordinance No. 3030-21/22 Authorization to Purchase Property for Right of Way
ACTION REQUESTED:	Approve and Adopt the Ordinance.
DESCRIPTION:	
FINANCIAL IMPACT:	

Requested Amount:
Line Item:
Budgeted Amount:
Remaining Funds:

IMPACT IF APPROVED:

IMPACT IF DENIED:

ALTERNATIVES:

RELATED TO THE 2019-2021 CITY COUNCIL GOALS:

	5 Year CIP. The Five-Year Capital Improvement Plan reflects all current and future capital improvement needs of the City of Pekin. The Plan is designed to be updated annually by staff and submitted to the Council for review and approval prior to the annual budget process.
	Enhance Code Enforcement Services. The Council understands the importance of a strong Code Enforcement Program in that it has an impact on many facets of living and doing business inside the City of Pekin.
	Business Friendly Community. The Council strives to bring new businesses to Pekin while helping to maintain and expand all existing businesses. It is therefore essential to work cooperatively to make Pekin a “Business-Friendly” Community.
	Efficient and Effective Municipal Operations. A fundamental responsibility of elected officials, City Staff and Employees is the exercise of good stewardship over public funds. Therefore, it is important that municipal services be delivered with maximum efficiency and effectiveness
	Police & Fire Pension Obligation. To meet the 90% funding level by the year 2040 it is essential the City plan carefully and maintain financial discipline to meet its $63 million dollar obligation.
	Employee Residency. It is the goal of the Council to develop a policy that encourages more full-time non-union employees who participate in a City funded pension program to reside within the city limits of Pekin.

REQUIRED SIGNATURES

Finance Department (Certification of Availability of Funds)**:**
Date:

City Manager:

Mark A. Rothert

Mark A. Rothert, City Manager 10/24/2021

Mark A. Rothert

Mark A. Rothert, City Manager 10/24/2021

Date:

ADOPTED AND APPROVED at a regular meeting of the City Council of the City of Pekin this _____ day of

__________________________, 20____.

____
MAYOR

ATTEST:

____
CITY CLERK

ORDINANCE NO. 3030-21/22

AN ORDINANCE APPROVING THE ACQUISTION OF THE REAL PROPERTY KNOWN AS GAMBLEWOOD FARM

WHEREAS, the City of Pekin is a home rule municipality as described in Section 6(a), Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, the City of Pekin, as a home rule municipality, may exercise power and perform any function pertaining to its government and affairs, including, but not limited to, the power to legislate for the protection of the public health, safety, and welfare; and

WHEREAS, pursuant to 65 ILCS 5/11-61-1.5 and 5/11-61-3, the City has the authority to acquire real estate or rights therein for a public purpose; and

WHEREAS, the City desires to acquire property with tax parcel identification numbers of 05-05-20-100-001 and 05-05-17-300-001, commonly referred to as the Gamblewood Farm ("Property") in Tazewell County, for the purposes of acquiring right of way for extension of Veterans Drive; and

WHEREAS, the Property is currently owned by the Elizabeth L Gamble Trust ("Seller"); and

WHEREAS, Seller, via a virtual-live online auction ending October 26, 2021, has agreed to sell the Property to the City; and

WHEREAS, the City hereby finds that it is in the best interest of the City to acquire the Property for the purpose of acquiring right of way for extension of Veterans Drive; and

WHEREAS, the City Council does hereby further find and determine that it is in the best interest of the City to finance the purchase of this Property through a banking institution (the "Issuer") and to have issued a promissory note (the "Note") in an amount not to exceed the purchase price of the Property; and

WHEREAS, the City's borrowing of an amount not to exceed the purchase price of the Property and any related issuance of a note will not result in the City's aggregate outstanding indebtedness of bonds, notes and other debt instruments to exceed the City's total debt limitation, as set forth under the Illinois Municipal Code and, as such, the City is authorized to issue said Note.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEKIN, TAZEWELL COUNTY, ILLINOIS, THAT:

Section 1. The findings and recitations set forth above are adopted and found to be true and correct.

Section 2. The City of Pekin hereby approves the purchase of the Property from Seller, in an amount not to exceed <u>$1,475,680</u>.

Section 3. The Mayor and the City Clerk, with the consent of the City Attorney, are directed and authorized to execute the Contract for Sale of Real Estate, hereto attached as Exhibit A, on behalf of the City, together with such changes thereto as the Mayor in his discretion deems appropriate.

Section 4. The Mayor (or his designee) and the City Clerk are further directed and authorized to take any action and execute any documents necessary to effectuate the acquisition of the Property under the terms and conditions set forth in the Purchase and Sale Agreement.

Section 5. The Issuer of any note or debt obligation to finance the purchase of the Property recognizes the provisions of Section 265(b)(3) of the Internal Revenue Code (the "Code") which provide that a "qualified tax-exempt obligation" as therein defined may be treated by certain financial institutions as if it were acquired on August 7, 1986, for certain purposes. The Issuer hereby designates the Note as a "qualified tax-exempt obligation" as provided therein to the extent each such Note is tax-exempt under Section 103 of the Code.

(a) The Issuer acknowledges that a "qualified tax exempt obligation" means a bond or note which is not a "private activity bond" as defined in Section 141(a) of the Code.

(b) The Issuer represents, certifies and covenants that the Note is not a "private activity bond" as defined in Section 141(a) of the Code.

(c) The Issuer represents, certifies and covenants that including the Note, the Issuer (including any entities subordinate thereto) does not reasonably expect to issue in excess of $10,000,000 in "qualified tax-exempt obligations" (other than non-501(c)(3) "private activity bonds") (as such terms are defined in the Code) during the calendar year of issuance of the Bonds.

In determining whether the Note is a "qualified tax-exempt obligation," certain obligations are not taken into account in aggregating the $10,000,000 limit of the small issuer exception under Section 265(b)(3) of the Code, including under Section 265(b)(3)(C)(III) which states:

(III) an obligation issued to refund (other than to advance refund within the meaning of section 149(d)(5)) any obligation to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation.

Section 7. This Ordinance is in addition to all other ordinances on the subject and shall be construed therewith excepting as to that part in direct conflict with any other ordinance, and in the event of such conflict, the provisions hereof shall govern.

Section 8. This Ordinance shall be in full force and effect from and after its passage in the manner as provided by law.

PASSED AND APPROVED at the special meeting of the City Council of the City of Pekin, this__26th__day of__October, 2021; and upon roll call the vote was as follows:

AYES:
NAYS:
ABSENT:
ABSTAINING:

____
Mayor

ATTEST:

____
City Clerk